TELEVISION BLOCKING TECHNOLOGY

BRIEFING

BEFORE THE

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION UNITED STATES SENATE

ONE HUNDRED NINTH CONGRESS

SECOND SESSION

JULY 27, 2006

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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED NINTH CONGRESS

SECOND SESSION

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TELEVISION BLOCKING TECHNOLOGY

THURSDAY, JULY 27, 2006

U.S. Senate, Committee on Commerce, Science, and Transportation, Washington, DC.

The Committee met, pursuant to notice, at 10:04 a.m. in room SR-253, Russell Senate Office Building, Hon. Ted Stevens, Chairman of the Committee, presiding.

OPENING STATEMENT OF HON. TED STEVENS, U.S. SENATOR FROM ALASKA

The CHAIRMAN. Let me thank you all for being here today, and thank our Co-Chairman, and all the Members of the Committee who've been involved in this activity with us. Our Committee has held one hearing and two forums on the decency issues, and one of those forums lasted a full day.

On June 15th, the President signed into law the Broadcast Decency Enforcement Act, which increased tenfold the fines that the FCC may impose for indecent broadcasts. That bill was a step forward. However, during this Committee's daylong summit, it became apparent that increasing the fines is only one piece of the puzzle because over-the-air broadcasting is only 15 percent of the problem. That is why the family tiers are an important answer, and the cable and satellite industries voluntary efforts to offer such tiers are to be commended.

Additionally, Jack Valenti, who is at the witness table now, has worked with the Ad Council and various sectors of the industry to launch a broad education campaign, which he is here today, along with Peggy Conlon, President and CEO of the Ad Council, to unveil.

I understand from Jack, he's had a series of exposures on various channels and spent a great deal of time this week explaining what the industry wishes to do, and I again commend Jack and thank him for his friendship and for his constant attention to this problem.

I think his proposal has great merit, and we wish him every success in the world.

Senator INOUYE. I'd like to join you in commending our friend, Jack. Without him, the motion picture industry would be without leadership. Welcome back, sir.

Mr. VALENTI. Thank you.

The CHAIRMAN. Ms. Conlon, we welcome you also. Jack and Ms. Conlon, we're at your call—we'd like to hear what you have to say, and I know you've got some presentations to make.

STATEMENT OF JACK VALENTI, FORMER CHAIRMAN/CEO; SENIOR CONSULTANT, MOTION PICTURE ASSOCIATION OF AMERICA, MPAA

Mr. VALENTI. Thank you, Mr. Chairman, Mr. Co-Chairman. I thank both of you.

It was on November 29th, if you'll recall when you had that work forum that you and the Co-Chairman wanted to know if the television industry had any ideas about how we could benefit parents and allow them to monitor the television viewing of their children. Now, what, 7 months later we are here with our plan.

I want to tell you this is an unprecedented unified effort, and I want to just briefly introduce people who really made this thing

work.

I first want to introduce Dan Glickman, the President of the Motion Picture Association; David Rehr, the President of the National Association of Broadcasters; Kyle McSlarrow, the President of the National Cable and Telecommunications Association: and I'd like to introduce Gary Shapiro, who is the President of the Consumer Electronics Association.

Mr. Shapiro. Thank you.

Mr. Valenti. Now, the irony of this, Mr. Chairman, is we all are bitter antagonists in the marketplace, but we've come together in what I think is an epiphany for parents. I've been searching for a couple of months to use that word epiphany, and I finally found a sentence to put it in. I thank you for that. But it is, I think, in the long run, this is a beneficent tool that allows parents to monitor and to guide and to block programs that they think might not be suitable for their younger children.

Now, I have some other things to say about it, but this would not have occurred without the extraordinary partnership of the Ad Council, which, for 63 years, as Peggy will no doubt tell you, they have been a sustaining influence in this country in helping illuminate great public issues in easy to understand ways so that the public is benefited by it. And it was the Ad Council that's been with us every inch of the way, and I dare say, without the four associations and without the Ad Council, I wouldn't be here today.

So, Peggy, would you tell us something about the Ad Council?

STATEMENT OF PEGGY CONLON, PRESIDENT/CEO, THE ADVERTISING COUNCIL

Ms. CONLON. Thank you very much, Jack.

Good morning. Thank you, Senator Stevens and Inouye for inviting us here today and for your incredible leadership.

I know we all share the same goal, to help America's parents manage their young children's television viewing, and I believe this

morning marks a giant step in achieving that goal.

I know that many of you are familiar with the Ad Council, but I do want to spend a few minutes this morning telling you a bit about who we are and what we've been able to accomplish over the last 63 years. Our campaigns have become part of the American culture, and our slogans a part of the vernacular. Not just because they're memorable, but because they make a profoundly positive difference in the lives of the American people.

From our earliest days during World War II with campaigns like, "Loose Lips, Sink Ships," "Buy War Bonds," and "Plant Victory Gardens," to countless others that have followed, the Ad Council has kept its finger on the pulse of the American society and moved the needle on so many critically important issues.

Thanks to Smokey Bear, Americans know that only they can prevent forest fires, and as a result, we've helped to reduce the number of acres lost annually from 22 million to 8.4 million. And because we've taught the Nation that "Friends Don't Let Friends Drive Drunk," almost 70 percent of Americans have acted to prevent a friend from driving drunk. And for almost 35 years, we've reminded Americans that "A mind is a terrible thing to waste." As a result, the United Negro College Fund has raised more than \$2.2 billion, and graduated more than \$50,000 deserving minority students from college.

Clearly, Ad Council campaigns have raised awareness, saved lives, and inspired countless Americans to take positive action. And today, I'm delighted to help introduce a wonderful new effort that will not only inform parents about how they can monitor and supervise their children's media consumption, but also inspire them to do so

Studies show that children spend almost 45 hours per week exposed to media, usually including more than one form at a time, and that parents have serious concerns about age-inappropriate TV content. They say that they're in control of their children's viewing habits, but day-to-day, they're not as vigilant as they would like to be. Despite their general lack of awareness about blocking technologies, many parents are open to ideas that promise more control and agree that these technologies can be an effective tool.

So in an effort to empower these parents to take a more active role in their children's media viewing habits, the Ad Council has proudly joined with a broad coalition of industry organizations to launch this national PSA campaign. We are incredibly enthusiastic about this partnership, particularly since it marks the first time that all TV media platforms are working together to amplify a single message. Think of the power that that holds.

This unprecedented effort spearheaded by our friend, Jack Valenti, has been created pro bono by a world-class team from the ad agency, McCann Erickson New York. That's the very same agency that created the "Priceless" campaign for MasterCard.

I'd like to thank Gayle Barlow and Sasha Schor, who are both with us this morning, both VPs and Creative Directors at McCann, for their incredible commitment. We think that they're priceless.

As you'll see in a few minutes, the result of their commitment and hard work are fantastic. As you might imagine, it takes more than a catchy slogan to create effective advertising. The Ad Council knows how to create breakthrough messages that inspire our target audiences to take action. Much of that stems from the extensive research that we conduct before, during, and after our campaigns are developed. That includes testing the spots with the target audience before any of the work is approved for distribution. And we benchmark attitudes and behaviors, and track those over time. This campaign is no different.

Certainly, the incredible commitment of our media partners, coupled with the magnificent creative developed by McCann, and the robust website developed by Ripple Effects Interactive will effectively educate and inspire parents to take control of their children's media viewing habits. At the end of the day, that is what this is all about.

And now before I turn this back over to Jack Valenti, I want to thank him for being not only a champion of this issue, but of this campaign itself. Jack, we couldn't have done it without you. Thank you for your partnership.

Mr. VALENTI. Thank you very much, Peggy.

I want to thank again Dan Glickman, and Kyle McSlarrow, and David Rehr, and Gary Shapiro for shepherding what I think is an unprecedented, seamless web of unity of every national broadcast network, every television station, every cable system, every direct broadcast satellite system, every movie studio, every TV programmer, have joined together. This has never happened before.

This will be an 18-month campaign to try to tell the American people, you, Mr. and Ms. Parent, are the TV boss of your home. You have power right now to control every hour of entertainment

programming in your home.

Now, the Congress recently passed this indecency law—so called, in which it fines \$325,000 for every indecent word. But the American public doesn't realize that if you have a hundred channel cable systems, it only covers about seven, eight, or nine channels. No more. What we're trying to do covers all channels that deal in entertainment programming, so that the parents can leave the home at night to go to dinner, and be secure in the knowledge that their children are not going to watch any program that they don't want them to watch. They've blocked the ones that they want to put in exile, and no matter the babysitter's choice, that TV set will be blank on those programs. That's a huge, huge step forward. And what we're going to present to you today is some of the visual spots that we'll be running. As a matter of fact, they began yesterday. They're on tonight in prime time. They were on yesterday in prime time, not only on national broadcast networks, but on the direct broadcast satellite, and they'll be on tonight, and this weekend, and you'll see them throughout this summer, and this year, and into the next year.

We have two spots we're going to show you. Others are either in revision right now or in design, so that as these spots begin to wear

out their welcome, we'll have the new ones coming on.

The whole idea is to direct parents to a website called "TheTVBoss.org." Now, all of you around this table write that down because I hope that you're already going to that site. It's up, and it's functioning, and you'll see it now, and it will then tell the parents in easy to understand, easy to follow language how they can block

Now, Mr. Chairman, Mr. Co-Chairman, I am technologically illiterate. I admit that. I confess it. And when I go to mass this Sunday, I'll ask for absolution on that, but that's all I can do. The fact is, though, that after a couple tries at it, I got the hang of this, and if I can do it, anybody can do it. It's easy to do.

Now, I say to you in advance, we can't command people to do what's best for them and their children. Lyndon Johnson used to say, "You can tell a man to go to hell, but getting him to go there is another proposition." So what I'm saying to you is, that we're going to do our best, over, and over, and over, and over again, telling parents you can command television—all of it, not just part of it, but all of it—and you can do it easily, and you can do it by rating of a television, by genre, by individual programming, by

time, whatever. All easy to do.

Now, finally—that's a wonderful word. Finally—it makes everybody feel good. There are only a few places where a moral shield can be built in a child, home, school, church, synagogue, mosque. That's it. And if the child builds—with the help of a parent, builds that moral shield, then they can navigate the dark corridors of the land we live in now, and the kind of digital world we live in. But if parents don't exercise this responsibility—and I think you'll agree—I don't think government can do it. Not only should government not do it, I think government is forbidden to do it by the Constitution. It has to be the parent, and I'm hopeful that over this next 18 months, by the dent of the repetition of these visual announcements, that we'll make some impress. I don't guarantee anything, but I'll tell you it won't be for lack of trying.

Now, the first thing I'd like to show you, Mr. Chairman, is two of these spots that are playing now in prime time. So let's run

these two spots.

[Plays video.]

Mr. VALENTI. So far, it's pretty good.

I wonder if we could run those again. They're only 30 seconds, let's get part of the repetition going right here now. Let's run them again.

[Plays video.]

Mr. Valenti. Now, the next thing I want to show you is the website itself. The Ad Council's done a little home movie of it, and I hope you'll like it. This is where we try to tell parents how to deal in this apparatus, how to be the TV boss, and the few steps you have to go through to do it. As I said earlier, I can do it, and therefore, I'm absolutely convinced that anybody else can do it. Because this is where the actual blocking will be done.

Let's see our little Ad Council's movie.

The CHAIRMAN. Who's got the volume? Turn it up a little bit, will you?

[Plays video.]

Mr. VALENTI. Mr. Chairman, we have other things we're doing. We're going to be preparing this same material to send to churches and to advocacy groups, like the PTA, all over this country, and if they so choose, they can then distribute it to their parishioners and to their members. And we think this will give added reach, spacious new territory for us, so that parents will be aware of this and want to use it.

And we're going to do something that I think you would be especially interested in. We're going to prepare a member's kit with all of this material in it to send to every single member of the House of Representatives and the U.S. Senate. We've already sent this to

the Federal Communications Commission, I believe, and we'll send it to anybody else that wants to view it.

These members can then put this on their own websites, so they can tell their constituents in their district and in their state what they are doing to help parents completely and totally monitor and have power over all of the television entertainment programs in their home. There's no other way to do this, except through parental responsibility, and the use of these blocking techniques.

And we're going to be monitoring this as closely as we can, as Peggy said. They're in the midst of research right now to do a benchmark research level. At the end of nine months, there will be more research. At the end of an additional nine months, another piece of research, so we can measure whatever progress we think has been made, and we have the questions of these polling. If anybody in your staff would want to look at them, we will make those questions available to you, so you see the methodology that we're doing.

As I said before, this is unique. It's never been tried before, and I'm hopeful that at the end of this period, that more parents will have taken the lead in their own home. If parents truly care—if they really care about what their children are watching, and the programs they think are unsuitable for their children—because many parents enjoy a lot of programs that they don't find suitable for their seven, eight or nine-year-olds. So if they care, we're saying we're giving you the tools to do this job, where you can truly and honestly and authentically be the TV boss of your home.

This is our program, Mr. Chairman, Mr. Co-Chairman. We present it to you to redeem the pledge we made to you in November of last year that we would come back with our ideas of how this ought to be done without government interference.

The CHAIRMAN. Thank you very much.

And, Ms. Conlon, we certainly congratulate you for participating in this grand partnership. During my time here, and I'm sure my friend and Co-Chairman would say the same thing. I can't remember such a coordinated campaign. And we join you in thanking all of those that you've mentioned, The Consumer Electronics Association, National Association of Broadcasters, The National Cable and Telecommunications Association, Motion Picture Association, and we're impressed that the television broadcast networks, ABC, CBS, NBC, FOX, Direct to Home satellite providers, Direct TV, and EchoStar, they're all together. I can't remember when I've seen this communications industry totally united in one objective, and I'm certain that it will be effective over a period of time if people listen.

I think parents may have the job of setting the standards, but their children themselves will enforce it once they get the message. I think they will understand what we're doing in trying to protect the coming generations from being exposed to excessive abuse, and to language, and to accidents that we do not think they should be able to witness during their formative years.

So, again, I congratulate you very much. Senator Inouve.

STATEMENT OF HON. DANIEL K. INOUYE, U.S. SENATOR FROM HAWAII

Senator Inouye. Mr. Valenti, there's a bill called the Telecommunications Act of 2006. Can you help us get your troops together? They're all over the place.

Mr. VALENTI. Well, I'm not sure that I want to get into that cauldron of hell myself, but whenever Senator Inouye asks me some-

thing, I stand, salute, and say, by jingles, I'll try.

The CHAIRMAN. Well, he's one up on me. I was about ready to ask Ms. Conlon if she'd join us, too. We need the Ad Council a little bit the next few weeks.

But go ahead, Senator.

Senator INOUYE. But, seriously, you're remarkable, and I'm glad we have a program such as this, and I'm going to do my best to advise every member—I think the Chairman and I will advise every member to make sure that the information about that chip is on their website, that we're going to urge every member of the Senate to do the same thing. That's the least we can do, and I'm certain it will be a success.

Congratulations, sir. Mr. VALENTI. Thank you.

The CHAIRMAN. Yes. And if you will tell us when you're going to deliver those kits, I'm sure my friend and I will go to the floor and make a statement on the floor to call attention to members, so that they don't just get put away somewhere by their staff, so that the members themselves address those kits. And I'm sure we'll both make a commitment to you, we'll put it on our website as soon as we get the information.

I think that we must join you to carry this out, and I hope every Member of Congress will do that.

Mr. VALENTI. We're going to get on that. It's good to have a former Congressman sitting at our table, like Dan Glickman. He said, "Well, you ought to have a kit that goes to members, so they can put it on their websites." And I thought it was a brilliant idea, and I'm not sure when those kits will be ready.

Ms. Conlon. In just a few weeks, we're waiting for the spots to be finished, and they're in development now, so we will—when

they're ready.

Mr. Valenti. So by the time that the members get back from their August recess, they will—it will be sometime in November, the members will have those kits, and they can put it on their websites.

In conclusion, Mr. Chairman, I want to emphasize again that I've had a little experience 38 years ago in inventing the movie rating system, and letting parents understand that the only people who can really guide their children is a parent, not a government, and if the parents don't care, if they're not doing it, then all the mighty powers of the President, the Congress, the army of regulatory agencies will be like tracings on dry leaves in the wind. It will make no difference unless parents enter this thing, and say, by jingles, I'm going to be TV boss of my home, and I'm going to control it, and my children are not going to watch things that I find to be unsuitable. If they do that, then we would have entered a more harmonious age, and I think all of us will welcome it.

But this has been a great experience for me and my colleagues,

and we're going to continue working on it.

But most of all, I thank you, and the Co-Chairman, Mr. Chairman, for really being the champions of doing this the right way, and that is in the individual private sectors, and in the home. That's the only place it can be done.

Thank you, sir.

The CHAIRMAN. Well, thank you very much. And, Ms. Conlon, if it's agreeable with you, we would like to put on record that we will have a hearing when you get your first sort of progress report at the end of the 9-month period, if that's all right.

Ms. CONLON. We'd be delighted.

The CHAIRMAN. I think we would like to have a way to notify everyone on this Committee and the Congress of how this program has progressed. But, again, I congratulate all of you and all of your

partners.

And I've got to tell you, we could not legislate this. We could not legislate the reaction that you could produce with this program, and we're very hopeful that it will succeed because we have the demands from some people to legislate, and it's awfully difficult to define decency in this concept, and more than that, to find the constitutional powers to do it, and of these entities that are involved voluntarily now with you in a program to teach the parents how to control their own home and to control access for their children for the programs that they would not want them to watch.

So thank you very much for your participation, Jack.

Mr. VALENTI. Thank you, sir.

The CHAIRMAN. Happy to see you back. Ms. CONLON. Thank you, sir. Mr. VALENTI. Thank you, Mr. Chairman, Mr. Co-Chairman. Thank you very much.

The CHAIRMAN. This Committee will stand in recess until eleven o'clock when we've got another hearing.

[Whereupon, at 10:40 a.m., the briefing was adjourned.]

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